INITIAL STATEMENT OF REASONS

Title 14 Natural Resources
Division 2. Department of Conservation
Chapter 5. Division of Recycling

The Department of Conservation (Department) proposes to amend sections of Title 14 of the California Code of Regulations (CCR). Proposed permanent amendments to the CCR are necessary to clarify payment options for consumers and payment requirements for recycling centers. The Department proposes to amend Sections 2430, 2525, and 2535.

SUBCHAPTER 5. PROCESSORS

Article 3. Accounting and Reporting Requirements

Section 2430

<u>Subsection 2430(b):</u> Referencing Section 2535(e) is necessary due to the deletion of Subsection 2535(c), which changed the numbering of subsequent sections for consistency.

SUBCHAPTER 6. RECYCLING CENTERS

Article 1. Requirements for Recycling Centers

Section 2501

<u>Subsection 2501(c):</u> A change in reference to Section 2535(d) due to the deletion of Subsection 2535(c) would have normally been necessary, but due to prior incorrect reference and the proposed restructure of Section 2535, a change in reference is no longer necessary.

Article 3. Accounting and Reporting Requirements

Section 2525

<u>Subsection 2525(a)(1):</u> This amendment is necessary due to its reference to Subsection 2535(g), which has been renumbered to 2535(f), due to the deletion of Subsection 2535(c), which changed the numbering of subsequent sections for consistency.

Section 2535

<u>Subsection 2535(b):</u> This amendment is necessary in order to end confusion among recycling center operators and clarify that consumers may be paid by count for more than a total of 50 empty beverage containers. In addition, proposed changes to this subsection will revise the consumers' option of payment by count from "fifty empty beverage containers" to "up to fifty empty beverage containers of each material type", notwithstanding the total number of empty beverage containers contained in the aggregate load.

<u>Subsection 2535(c)</u>: The deletion of this subsection is necessary for the restructure of this section. The amendment to subsection 2535(b) meets the requirements of the current regulatory provision of this subsection for payment of refund value for deliveries of fifty empty beverage containers or less to recycling centers.

<u>Subsections 2535(d),(e),(f),(g):</u> These subsections are renumbered to revise the letter designations of each subsection changed by the deletion of old subsection 2535(c).